

Old Age, Disability, Death

First law: 1936.

Current law: 1966 and 1997.

Type of program: Dual universal and social insurance systems.

Provisions and benefit amounts shown as of January 1, 1999, unless specified otherwise.

Exchange rate: U.S.\$1.00 equals 7.49 kroner.

Coverage

Universal pension: All residents, including resident alien seamen serving on Norwegian ships outside territorial waters.

Pension is independent of previous income or contributions paid.

Earnings-related pension: All employees and self-employed persons earning over base amount, born after 1897.

(Reduced amount for pensioners born before 1897 and their surviving dependents.)

Base amount equals 45,370 kroner as of January 1, 1999 and varies automatically with changes in general price and income levels, subject to adjustment once or twice a year.

Special systems for seamen, fishermen, forestry workers, railway employees, and public employees.

Source of Funds

Insured person: Employees, 7.8% of income (reduced to 3.0% of income—including payments-in-kind, lodging, or pension—if under age 17 or over age 69); self-employed, 10.7% of income up to 12 times base amount, plus 7.8% of income exceeding 12 times base amount.

Employer: 14.1% of wage. Contribution rates reduced in certain geographical areas.

Government: National government, any deficit.

No earnings limit for contribution purposes.

Above contributions also finance sickness and maternity, work-injury, and unemployment programs.

Contributions from employees and the self-employed are calculated on the basis of pensionable income (gross wage income including cash sickness, maternity, and unemployment benefits) in excess of 21,400 kroner a year; however, contributions may not exceed 25% of annual income above 21,400 kroner.

Qualifying Conditions

Old-age pension: Both universal and earnings-related pensions, age 67.

Universal old-age pension: 3 years' coverage, age 16-66; payable abroad under special conditions.

Earnings-related old-age pension: 3 years' earnings above base amount; payable abroad.

Earnings test for both pensions: Up to age 70, universal pension and earnings-related pension must be reduced by 40% of wages exceeding the base amount.

Disability pension: Both universal and earnings-related pensions: earning capacity permanently reduced 50% or more, aged 16-66.

Universal disability pension: 3 years' coverage immediately preceding claim (1 year in some instances). Payable abroad under special conditions.

Earnings-related disability pension: 3 years' earnings above base amount; payable abroad.

Survivor pension: Universal survivor pension—Deceased has 3 years' coverage immediately preceding death or claim; and surviving spouse married to deceased 5 years or more, or if caring for dependent child(ren).

Earnings-related survivor pension: Orphans under age 18, or full orphans under age 18 (20, if student).

Old-Age Benefits

Universal old-age pension: Up to 100% of base amount if single, 150% for aged couple. Full pension 40 years' coverage, reduced for shorter coverage.

Income-tested supplements: 50% of pension for spouse not drawing old-age pension; 25% of base amount for each child under age 18; up to 61.55% of base amount if ineligible for earnings-related pension (55.85% if spouse is pensioner; 123.1% if supporting a spouse aged 60 or older).

Adjustment: Pensions adjusted automatically for changes in general price and income levels, corresponding with adjustments of base amount.

Earnings-related old-age pension: 42% of the current base amount multiplied by insured's average annual number of pension points in 20 years with the most points. Number of pension points in a year equals the difference between the worker's earnings and the year's base amount divided by the base amount.

Maximum earnings for benefit purposes: 6 times base amount plus 1/3 of income between 6 times and 12 times base amount.

Limit: 7.0 points per year. Full pension with 20 years' coverage requirement increases year-by-year to 40 for persons born later.

For shorter coverage, pension reduced proportionally.

Adjustment: Recorded earnings, wage limits, and pensions in force adjusted automatically for changes in general price and income levels, corresponding with adjustments of base amount.

Permanent Disability Benefits

Universal disability pension: Up to 100% of base amount if totally disabled. 40 years of coverage for full pension; computed as if covered through 66th year if certain coverage conditions are met. Partial disability, reduced pension in proportion to loss of earning capacity.

Minimum: 50% of projected old-age benefit.

Income-tested supplements: 50% of pension for spouse aged 60 or over; 30% of base amount for each child under age 18; 503 kroner to 2,515 kroner a month for substantially increased expenses; up to 61.55% of base amount if ineligible for earnings-related pension. Constant-attendance supplement: Normally, 900 kroner a month; may be increased to as much as 5,400 kroner a month.

Adjustment: Pensions adjusted automatically for changes in general price and income levels, corresponding with adjustments of base amount.

Earnings-related disability pension: See earnings-related old-age pension. Years of coverage credited as if worked to age 67 if certain coverage conditions are met.

Partial disability: Percent of full pension proportionate to loss of earning capacity.

Earnings adjustments, see earnings-related old-age pension.

Survivor Benefits

Universal survivor pension: Up to 100% of base amount. Full pension, deceased or spouse covered 40 years, with coverage projected through 66th year.

If surviving spouse's income exceeds 1/2 base amount, pension equals difference between full pension and 40% of excess of spouse's income above 1/2 base amount.

Income-tested supplements: Up to 61.55% of base amount if ineligible for earnings-related pension. Also Child Care benefit (if survivor/parent pursuing education or working outside of home, and if annual income lower than 362,960 kroner): If annual income below 272,200 kroner, benefit equals to 70% of expenses for child care not to exceed 2,300 kroner a month for one child; maximum of 3,400 kroner per month for three or more children. Benefit reduced by 50% if annual income is between 272,200 kroner and 362,960 kroner.

Earnings-related survivor pension: 55% of earnings-related pension of deceased as if worked to age 67. Transitional grant to surviving spouse temporarily unable to work; and to divorced, separated, and unwed parents (including child care benefit).

Orphans: 40% of base amount for 1st child, 25% for each additional child under age 18. Full orphans under age 18 (under 20 if student) receive full survivor pension (basic plus earnings-related pension) of the parent who was entitled to the highest amount, 40% of base amount paid for the 2nd child, and 25% for each additional child. Divided equally if 2 or more children.

Funeral grant: 4,000 kroner.

Adjustment: Pensions adjusted automatically for changes in general price and income levels, corresponding with adjustments of base amount.

Administrative Organization

Ministry of Health and Social Affairs, general supervision.

National Insurance Administration, administration of program at the national and county levels.

National Insurance Administration county offices, administration of county programs and supervision of local offices.

Local insurance offices, administration of program locally.

Generally, 1 office in each municipality; contributions, including employers' contributions, collected through local tax offices.

Sickness and Maternity

First law: 1909.

Current law: 1970 and 1997.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Cash benefits: Employees and self-employed with income of not less than one-half the base amount. This income limit does not affect employer's obligation to pay cash benefits for first 16 calendar days.

Medical benefits: All residents, including resident alien seamen serving on Norwegian ships.

Special provisions for seamen, military personnel, and (for cash benefits) fishermen, casual workers and temporarily unemployed.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same. In addition, the employer pays the entire cost of cash sickness benefits for the first 16 calendar days.

Government: See pension contributions, above.

No maximum earnings for contribution purposes.

Qualifying Conditions

Cash sickness benefits: 14 days of employment or self-employment.

Cash maternity benefits: 6 months of employment or self-employment during the past 10 months.

Maternity grant: Insured mothers not entitled to cash maternity benefits.

Additional grant for widowed, divorced, separated, and unwed mothers, 3 years of insurance immediately preceding the claim.

Sickness and Maternity Benefits

Sickness benefit: 100% of covered earnings, payable from 1st full day of incapacity up to 52 weeks—thereafter covered by rehabilitation allowance or disability pension.

Maximum earnings for benefit purposes: 6 times base amount.

Self-employed, 65% of assessed covered earnings after 14-day waiting period (may voluntarily insure for 100% of earnings and/or shorter waiting period).

Casual workers and temporarily unemployed, 65% of assessed earnings after 14-day waiting period.

Care of sick child under age 12: Mother or father, 10 days per year each (single parent 20 days); more than 2 children, 15 days each (single parent, 30).

Disabled or chronically ill children under age 18: 20 days each (single parent, 40).

Sick child under age 16, if illness is potentially fatal, parental leave up to 780 days.

Maternity benefit: 100% of covered earnings (self-employed, 65% of assessed earnings) for 42 weeks, alternatively 80% for 52 weeks. If mother resumes work, father may care for child at same rates. 4 weeks of the total maternity cash benefit period are reserved for the father as the "Father Quota." Reduced work week may count as partial maternity benefit.

Maternity grant: 32,138 kroner if not receiving maternity benefit (also paid in case of adoption); giving birth at home, 1,765 kroner.

Workers' Medical Benefits

Medical benefits: Cash refunds of part or all of medical expenses; or service benefits furnished by providers under contract with funds. Includes part of doctors' fees (patient pays 102 kroner per consultation in most cases); free care in public hospital; patient pays 36% of expenses for listed essential medicines (up to 330 kroner per prescription); laboratory services; and transportation in excess of 50 kroner per trip.

(Patient's own expenses, including those for children aged 7-16, with certain exemptions for special diseases, limited to 1,320 kroner for 1999. Ceiling set by Parliament for one year at a time. When ceiling is reached, patient entitled to free treatment for the remainder of the year).

Pensions reduced from the 2nd month of institutional care, sickness benefit from the 4th month. Duration: No limit

Dependents' Medical Benefits

Medical benefits for dependents: Insured in their own right since coverage is based on residency.

Administrative Organization

Ministry of Health and Social Affairs, general supervision.
National Insurance Administration, national administration of program and supervision of local offices.
National Insurance Administration county offices, administration of county program and supervision of local offices.
Local insurance offices, administration of program locally.

Survivor Benefits

Survivor pension: Same as universal survivor pension above.
No reduction in pension if coverage is shorter than 40 years.
Orphans: Same as survivor pension, above.

Administrative Organization

Ministry of Health and Social Affairs, general supervision.
National Insurance Administration, national administration of program and supervision of local offices.
National Insurance county offices, administration of county program and supervision of local offices.
Local insurance offices, administration of program locally.

Work Injury

First law: 1894.
Current law: 1997.
Type of program: Social insurance system.

Coverage

Employees, personnel on Norwegian ships, fishing vessels, and on permanent or movable installations on the Norwegian Continental Shelf (including aliens); students, and military personnel.
Self-employed may insure voluntarily.

Source of Funds

Insured person: Employee, none; self-employed (if coverage elected), 0.4% of income, as assessed for national tax purposes.
Employer: See pension contributions above.
Government: See pension contributions above.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Cash sickness benefit under sickness program also payable in case of work injury for up to 50 weeks. Thereafter, the insured becomes entitled to rehabilitation allowances or disability pension.

Permanent Disability Benefits

Permanent disability pension: 100% of base amount if totally disabled. No reduction in pension if coverage is shorter than 40 years.
Partial disability (exceeding 15%): Percent of full pension proportionate to degree of disability (lump-sum payment if disability less than 30%).
Supplements: See universal disability pension above.
Constant attendance benefit, 900 kroner to 5,400 kroner a month, according to need.
In addition to any other benefits, up to 75% of base amount a year based on medical nature and degree of injury.
Earnings-related disability pension: See earnings-related disability pension, above.

Workers' Medical Benefits

Medical benefits: Comprehensive care, including appliances; no sharing of cost by patient.

Unemployment

First law: 1906.
Current law: 1970.
Type of program: Social insurance system.

Coverage

Employees (including public employees) and seamen.
Self-employed aged 64 and older only under special circumstances.

Source of Funds

Insured person: See pension contributions, above.
Employer: Same.
Government: Same.

Qualifying Conditions

Unemployment benefits: Annual earnings in last year preceding unemployment (or average earnings during 3 years preceding unemployment, if higher) of at least 75% of base amount at time of application. Registered at public employment office, able and willing to work. Unemployment not due to voluntary leaving, discharge for misconduct, labor dispute in which participated, or refusal of suitable offer or retraining (disqualification for at least 4 weeks).

Unemployment Benefits (As of January 1, 1999)

Unemployment benefit: 0.2% of annual income per day up to 6 times the base amount; maximum, 745 kroner daily, plus 17 kroner a day for each dependent child under age 18. Payable after 3-day waiting period. Benefits paid for up to 78 weeks, if annual income before unemployment less than 90,740 kroner; 156 weeks if income 90,740 kroner or more.

Administrative Organization

Ministry of Labor and Municipal Affairs, general supervision.
Directorate of Labor, national administration of program; benefits payable through local insurance offices (see old-age pension above).
Local employment offices, administration of program locally.

Family Allowances

First and current law: 1946.
Type of program: Universal system.

Coverage

All resident children.

Source of Funds

Insured person: None.

Employer: None.

Government: Whole cost.

Qualifying Conditions

Family allowances: Child must be under age 16.

Family Allowance Benefits

Family allowances: 11,112 kroner a year for 1st and 2nd child. 13,092 kroner for 3rd and for each additional child. In addition, annual supplement of 7,884 kroner per child between age 1 and 3. Sole supporter receives benefits for 1 child more than actually supported. Beneficiaries living in arctic region receive annual supplement of 3,792 kroner per child. Payable monthly.

Administrative Organization

Ministry of Health and Social Affairs, general supervision.
National Insurance Administration, national administration of program and supervision of local offices.
National Insurance county offices, administration of county program and supervision of local offices.
Local insurance offices, administration of allowances locally.